



# The President's Daily Brief

*10 December 1973*



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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

10 December 1973

PRINCIPAL DEVELOPMENTS

Cairo says it will participate in the peace conference in Geneva but will have little patience with any Israeli footdragging. There are further signs that most fedayeen leaders are setting their sights on the creation of an independent Palestinian state at Geneva, even if compromise is necessary to achieve this. The Arab oil producers have announced that they will resume their five-percent-monthly cuts in production, starting in January. (Page 1)

The unimpeded passage of a South Korean ferry to the outermost of the islands in the disputed area off the western coast yesterday has eased tensions a bit.

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(Page 3)

Cambodian Communists have launched small-scale ground attacks against Kompong Speu and against government positions along Route 4 between that city and Phnom Penh. On the political front, President Lon Nol is looking for a replacement for Prime Minister In Tam, who has once again announced his desire to resign. (Page 4)

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In South Vietnam, there is still heavy fighting around Kien Duc; both the Communists and the government say they control the district town. The South Vietnamese appear to be in the city, but some North Vietnamese remain either in parts of the town or its immediate outskirts. (Page 5)

The Soviet party Central Committee probably will meet today or tomorrow to approve the economic plan and budget for 1974 before they are presented to the Supreme Soviet on Wednesday. A plenum would also give Brezhnev a chance to report on the current situation at home and abroad. (Page 5)

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## ARAB STATES - ISRAEL

Egyptian Deputy Prime Minister Hatim on December 8 said that Cairo will participate in the peace conference in Geneva despite the breakdown of the talks at Kilometer 101. In a major policy speech, he stressed that Egypt will not, however, tolerate further Israeli "procrastination" and will not allow the conference to result in the "deadlock that existed before October 6." He added that the Egyptians will keep their "fingers on the trigger" to prevent "enemy treachery."

Hatim devoted most of his address to domestic affairs. He gave a ringing endorsement to plans for "economic openness" that Cairo had stressed in the months before the war as a means of moving Egypt away from its Nasirist, socialist economic past. These plans had drawn open criticism from the USSR, and Hatim's reiteration of them will give rise to fresh misgivings in Moscow as to Cairo's future course. Moreover, the USSR will find little satisfaction in Hatim's cursory thanks for Soviet military, economic, and political support. Hatim's strong emphasis on domestic affairs appears largely an attempt to convince the Egyptian people that even though the government must now concentrate on military and political problems, it has effective plans to improve their economic situation.

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The Palestine News Agency reported on December 8 that fedayeen leaders have rejected a Jordanian initiative for a joint delegation to the talks in Geneva. The report claimed that Jordan offered to form a new government that could include officials selected by the Palestinians. The new government would in turn appoint the Jordanian delegation to the conference. According to the Palestinians,

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"the Revolution's leadership refused even to discuss the offer." Predictably, Amman has denied taking such an initiative. Even if Jordanian denials are valid, however, the Palestinian statement is a fresh sign of fedayeen reluctance to move toward cooperation with Jordan.

Meanwhile, the US Embassy in Beirut sees further signs that most fedayeen leaders are setting their sights on the creation of an independent Palestinian state at Geneva--even if compromise is necessary to achieve this. Sensitive to charges from the ranks that they are selling out to the enemy, fedayeen leaders are taking pains to overcome resistance to participation in the talks. In looking toward a Palestinian state--even a small one that would co-exist with Israel--some are stressing the tactical advantage of accepting half a loaf.

Voicing strong support for the concept of a Palestinian state, the head of the radical Popular Democratic Front for the Liberation of Palestine declared on December 6 that the Palestinians should take what they can get now. He contended that the fedayeen face a choice between "passive opposition and positive revolutionary opposition." He came out strongly for the latter, which he said requires the Palestinians to gain an independent national existence on any piece of soil that can be wrested from Israeli control. In this way, the fedayeen leader argued, the Palestinians could better preserve themselves as a people and press on to overthrow Husayn, defeat Israel, and eventually regain their "full rights."

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Ministers of the Organization of Arab Petroleum Exporting Countries, meeting in Kuwait over the weekend, decided to resume, starting in January, their five-percent-monthly cuts in oil production. The Arabs also agreed that they would gradually increase production and end the ban on oil export to the US only when Israel begins to implement a timetable for withdrawal from all Arab territories occupied since 1967, including Jerusalem. The rate of oil production increases would, the ministers said, correspond to phases in Israel's withdrawal, and the timetable must be guaranteed by the US.

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KOREA

The unimpeded passage of a South Korean ferry with naval escort to the outermost of the islands in the disputed area off the west coast yesterday has eased tensions a bit. The [redacted]

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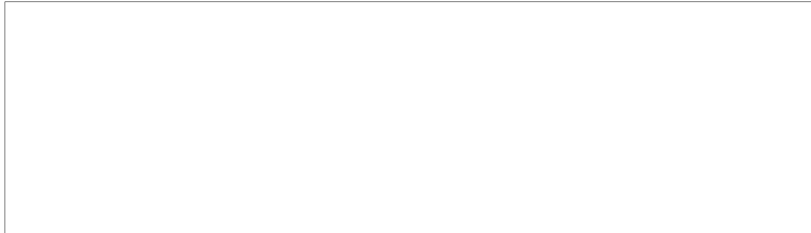
[redacted] South Koreans reported seeing at least five North Korean patrol boats en route.

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In a statement issued only hours before the ferry got under way, Pyongyang appeared to clarify its terms for passage. The North demanded that Seoul obtain prior approval for any ships traveling to the islands, but threatened "punishment" only to ships "carrying out reconnaissance and other hostile acts." A week earlier, the North had called for "proper steps" against any vessels making the trip without its permission. Pyongyang may hope that the latest statement will explain its lack of action against routine South Korean resupply vessels.

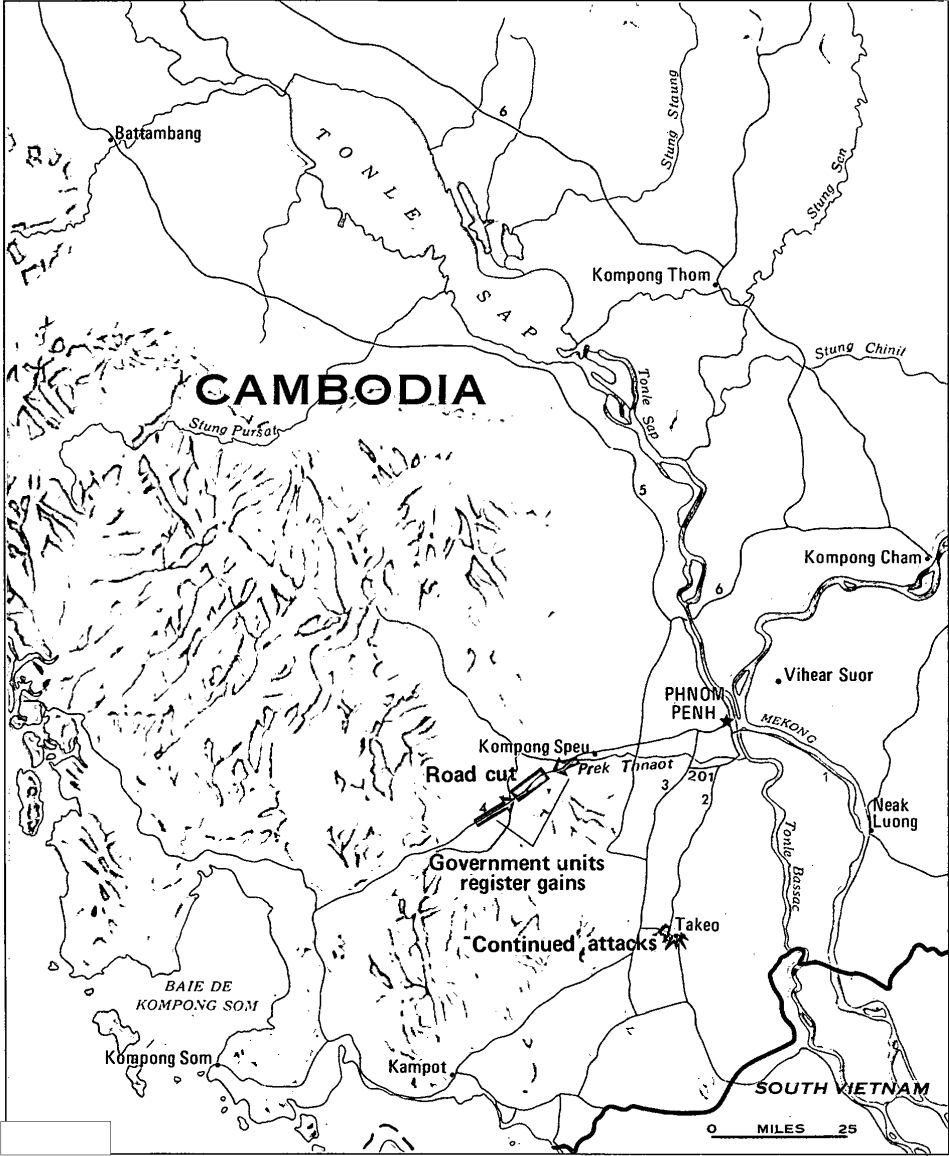
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Meanwhile, the war of words between the two sides has intensified. Seoul and Pyongyang have issued a series of statements accusing each other of violating the North-South accord and pressing for a resumption of the dialogue on their respective terms.



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CAMBODIA

The Communists have launched small-scale ground attacks against Kompong Speu and against government positions along Route 4 between that city and Phnom Penh. Army commanders are concerned that the Communists may be trying to cut off Kompong Speu and the army's 4,000-man task force, which has reported slight progress in clearing a seven-mile stretch of Route 4 to the west of Kompong Speu.

South of Phnom Penh, the situation at the provincial capital of Takeo has improved, although the city remains the target of sporadic Communist shellings and probes.

Nearer the capital, a Communist message of December 8 ordered only a limited increase in activity south of the Prek Thnaot River between December 16 and 25. The message stated that "during January and February our objectives are moderate" and urged units "to build up capabilities for...the period when the various major offensives begin."

On the political front, President Lon Nol is casting about for a replacement for Prime Minister In Tam, who on December 7 once again announced his desire to resign. The US Embassy in Phnom Penh reports that Lon Nol's first choice is likely to be his long-time associate, General Thappana Nginn, currently the third vice prime minister. Sirik Matak and others are likely to oppose this choice.



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NOTES

South Vietnam: Heavy fighting continues around the district town of Kien Duc; both the Communists and the government say they control the town. The South Vietnamese appear to be in the city, but some North Vietnamese remain either in parts of the town or its immediate outskirts. The recent destruction of the Nha Be fuel depot outside Saigon was caused by about 15 employees who used explosives first to rupture the tanks and then ignite the fuel as it poured out, according to the South Vietnamese officer in charge of the investigation.

USSR: The Central Committee probably will meet today or tomorrow to approve the economic plan and budget for 1974 before they are presented to the Supreme Soviet on Wednesday. A plenum, the first since last April, would give Brezhnev an opportunity to report on the current situation at home and abroad, but his speech probably would not be published.

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